

## Message Text

LIMITED OFFICIAL USE

PAGE 01 SANTO 03208 082132Z

71

ACTION EB-11

INFO OCT-01 ARA-16 ADP-00 COME-00 INT-08 AID-20 CIAE-00

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12

CIEP-02 LAB-06 SIL-01 OMB-01 NSC-10 SS-15 STR-08

CEA-02 L-03 H-03 DODE-00 PA-03 USIA-15 PRS-01 GSA-01

OEP-01 TAR-02 IO-13 RSR-01 /176 W  
----- 039112

R 082052Z AUG 73

FM AMEMBASSY SANTO DOMINGO

TO SECSTATE WASHDC 8606

INFO USDOC WASHDC

LIMITED OFFICIAL USE SANTO DOMINGO 3208

E.O. 11652: N/A

TAGS: EIND, ETRD, DR

SUBJECT: US FERROUS SCRAP EXPORTS: REQUEST FOR EXCEPTION

REF: (A) SD 2826

(B) STATE 136432

(C) STATE 148397

1. OFFICIALS OF METALDOM, SOLE LOCAL PRODUCER OF STEEL REIN-  
FORCING RODS (AND OTHER IRON & STEEL PRODUCTS) CALLED ON CHARGE  
AUGUST 7 TO LODGE APPEAL FOR EXCEPTION TO U.S. EXPORT LIMITS  
ON FERROUS SCRAP. CLAIMING THAT SEVERELY REDUCED IMPORTS OF  
SCRAP WILL HAVE DEVASTATING EFFECT ON LOCAL CONSTRUCTION  
INDUSTRY, THEY REQUESTED AN EXCEPTION TO CURRENT PROCEDURES TO  
ALLOW REGULAR IMPORTATION OF SCRAP AT THE RATE OF 40,000 METRIC  
TONS OVER THE NEXT 12 MONTHS FOR THE DOMINICAN REPUBLIC, I.E.,  
METALDOM.

2. UNTIL EARLIER THIS YEAR METALDOM IMPORTED VERY LITTLE FERROUS  
SCRAP FROM ANY SOURCE, RELYING ON LOCAL SCRAP (SUPPLIES OF WHICH  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SANTO 03208 082132Z

ARE FAST DWINDLING) AND IMPORTED STEEL INGOTS. THE COMPANY,

HOWEVER, HAS RECENTLY INSTALLED A MODERN (U.S. MADE) CONTINUOUS INGOT CASTING MILL AND, THEREFORE, NOW DEPENDS ON IMPORTED SCRAP FOR ABOUT 60 PERCENT OF ITS RAW MATERIAL.

3. COMMENT. CONTINUED SEVERE LIMITATION ON U.S. FERROUS SCRAP EXPORTS TO THE DOMINICAN REPUBLIC WOULD INDEED HAVE A SERIOUS EFFECT ON METALDOM, ONE OF THE LARGEST INDUSTRIAL CONCERNS IN THE COUNTRY. THE CONSTRUCTION INDUSTRY, WHICH IN THE PAST FEW YEARS HAS BEEN A PRIMARY ENGINE BEHIND THE BOOM IN THE DOMINICAN ECONOMY, WOULD ALSO SUFFER CONSIDERABLY UNLESS A CHANGE IN THE TARIFF STRUCTURE, WHICH CURRENTLY HEAVILY PROTECTS METALDOM, WERE MADE TO MINIMIZE THE EFFECT BY FACILITATING THE IMPORTATION OF STEEL RODS (ALTHOUGH METALDOM OFFICIALS CLAIM RODS ARE SCARCE ON WORLD MARKET). SUCH A STEP, HOWEVER, WOULD BE A MAJOR ONE, WOULD TAKE SOME TIME TO EFFECT AND WOULD HAVE SERIOUS REPERCUSSIONS -- INCLUDING THE POSSIBLE COLLAPSE OF METALDOM. THE EMBASSY, THEREFORE, RECOMMENDS THAT ALL POSSIBLE CONSIDERATION BE GIVEN TO THE METALDOM REQUEST. IT WOULD ALSO BE HELPFUL IF ONE ASPECT OF CURRENT PROVISIONS WERE CLARIFIED: HOW OFTEN CAN A COUNTRY REQUEST EXPORT LICENSE FOR SCRAP IN 500-TON LOTS?

CROWLEY

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 08 AUG 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973SANTO03208  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** SANTO DOMINGO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730850/aaaabkxd.tel  
**Line Count:** 83  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 73 (A) SD 2826  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 30 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <30-Jan-2002 by martinjw>; APPROVED <19 FEB 2002 by garlanwa>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** US FERROUS SCRAP EXPORTS: REQUEST FOR EXCEPTION  
**TAGS:** EIND, ETRD, DR  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005